



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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April 3, 2001

Mr. Gerald Slothower, Planning Engineer
Kennecott Barneys Canyon Mining Company
P.O. Box 311
Bingham Canyon, Utah 84006-0311

Re: Clarification of Reclamation Issues, Kennecott Barneys Canyon Mining Company,
Barneys Canyon Mine, M/035/009, Salt Lake County, Utah

Dear Mr. Slothower:

Thank you for the tour of your facility on March 9, 2001; it was very informative. The tour helped provide the Division with additional insight of the current conditions and will assist us in our review of the final closure and reclamation plan for the mine.

Several reclamation issues were discussed during the tour of the project area. A statement was made during the inspection which gave the impression that no reclamation of the south slope of the Melco 7200 waste rock dump was required under the approved permit. We commented that our recollection of the reclamation requirements for this dump did commit the operator to implement certain reclamation activities upon mine closure. To clarify this uncertainty, we have researched our permitting records and found the following information.

When the Barneys Canyon Mine permit was revised in December of 1992, a variance was granted to allow Kennecott to leave the south face of the dump at the angle of repose. Reclamation of this area was stated as follows:

"As an alternative reclamation method (for the 7200 Melco dump) Kennecott will cut benches into the dump slopes every 100 feet, hydro seed the slopes, hand plant tube stocks on the slopes, and study, establish and meet an achievable alternate revegetation standard approved by the Division."

On April 15, 1997 a consolidated reclamation plan for the Barneys Canyon Mine was approved by the Division. Under paragraph 5.7 of this plan it is stated:

"The outslope of the Melco 7300 dump and the south outslope of the Melco 7200 dump will be seeded with a hydro seeder. In addition, tube stock will be hand-planted on the outslopes that are safely accessible." As we discussed later, I think the idea of cascading some soil down the dump face before hydro seeding will increase the chances of success of this effort.

While this new reclamation plan does not call for the extent of reclamation called for in the 1992 plan, it does require that some revegetation effort be exercised at this location.

The 1997 plan also states under section 5.4.1:

"Kennecott commits to placement of at least six inches of topsoil on all disturbed slopes having an outslope of 2.5h:1v or less. A revegetation test plot program, will be developed to determine if the Melco dump can be directly revegetated. However, the design of the program will not be included in the mining and reclamation plan at this time."

Section 5.7 states:

"Kennecott commits to applying to the 7300 and 7200 dump south outslopes the currently approved reclamation for the Melco 7200 dump outslopes unless, prior to the reclamation, Kennecott and DOGM jointly adopt a modified program of revegetation. Kennecott will cooperate fully with DOGM in the evaluation of alternate reclamation techniques for these dump outslopes. If the success of the revegetation efforts on the 7300 dump establishes a higher revegetation standard, it will be applied to the 7200 dump angle-of-repose slopes."

As an interim measure until the Melco dumps are reclaimed Kennecott proposed under Section 5.3.2:

"The south outslope of the Melco South dumps will not be regraded because such activities would result in additional disturbance of the watershed including adjacent hillsides and the ephemeral channel in the canyon below. The outslope of these dumps will be hydro seeded using mulch and tackifier for stabilization and erosion control."

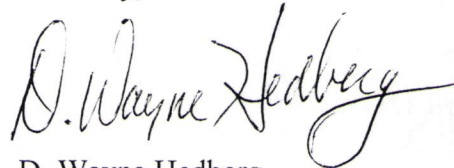
During our recent tour we observed recent recontouring of this area. We noted that the interim treatment measures for stabilization were not apparent. If final reclamation of these areas is not contemplated in the near future, the Division requests that the proposed interim stabilization measures for these dump areas be implemented to minimize erosion potential while access is still available.

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Additionally, the Barneys Canyon Mine reclamation surety estimate was due for its periodic five-year review last year (2000). Because of other pressing workload constraints, this review has been delayed. We anticipate performing the review within the next few months. Any new facilities or onsite changes that may have occurred since the last review should be reflected in the revised cost estimate. Please submit any recent operational changes or mine plan revisions (that we may not be aware of) so that they can be included in this bond review.

Thank you again for the opportunity to visit the Barneys Canyon Mine, and for the responsiveness and professionalism exhibited during our inspection. Hopefully, this information provides some clarification regarding the reclamation requirements under the approved permit. Please contact me or Doug Jensen of my staff at (801) 538-5286 and 538-5382, respectively, if you have any questions or concerns in this regard.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Reclamation Program

jb
cc: Mary Ann Wright, OGM
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M35-09.ltr

bc: Rich Borden. Kuc-magna